

## DEPARTMENT OF HEALTH SERVICES

14744 P STREET  
BOX 942732  
SACRAMENTO, CA 94234-7320  
(916) 739-2501



March 26, 1990  
CMSP Letter 90-10

TO: CMSP County Welfare Directors

SUBJECT: Profit and Loss Form CMSP 1178 (1/90)

This letter transmits a camera ready copy of the County Medical Services Program (CMSP) Profit and Loss Statement form (CMSP 1178, dated 1/90). The form, derived from a Sonoma County form, is to be used to assist counties in establishing the net profit or loss of a business or of a person engaged in self-employment. Given the small number of cases in which this form would be relevant, counties should reproduce a prudent supply of this form using the enclosed camera ready copy. Please contact Albert Cooper of the CMSP Unit at (916) 739-3141 if you have any questions concerning this form.

Sincerely,

A handwritten signature in blue ink that reads "Jim Martinez".

Jim Martinez, Chief  
County Medical Services Program

Enclosure

cc: CMSP Contact Persons  
(w/o camera ready copy)

# COUNTY MEDICAL SERVICES PROGRAM

## (PROFIT AND LOSS STATEMENT FOR THE MONTH ENDING \_\_\_\_\_, 19\_\_)

Beneficiary Name _____		Social Security Number _____
B: Name _____	Type of Business _____	

(See reverse for instructions for completion.)

**PART** Complete this section if you buy and then resell a product or if you make a product for sale. Otherwise, start with Part II.

**COUNTY USE ONLY**

- |   |      |
|---|------|
| 1. Cost of products on hand at beginning of month .....   | \$   |
| 2. Cost of products you purchased during month .....  | + \$ |
| 3. Cost of materials and supplies used to make products. ....   | + \$ |
| 4. Other costs to make products .....   | + \$ |
| 5. Total costs of products or supplies purchased during month .....   | + \$ |
| 6. Total of products on hand at beginning of month plus cost of products or supplies purchased during month (line 1 plus line 5) .... | = \$ |
| 7. Cost of total products on hand at end of month .....   | - \$ |
| 8. Cost of products sold during month is (line 6 minus line 7) .....  | = \$ |

**PART II—INCOME**

- |  |      |
|--|------|
| Gross receipts or sales .....  | \$   |
| 2. Cost of products sold (Enter amount from Part I, number 8; if you did not sell a product, enter zero here.) ..... | - \$ |
| 3. Adjusted gross income .....   | = \$ |

**PART III—DEDUCTIONS FOR OPERATING COSTS**

- |   |   |
|---|---|
| Advertising .....\$<br>2. Bad debts from sales or service .....\$<br>3. Bank service charges .....\$<br>4. Car and truck charges .....\$<br>5. Commissions .....\$<br>6. Depletion .....\$<br>7. Depreciation .....\$<br>8. Dues and publications .....\$<br>9. Employee benefit programs .....\$<br>10. Freight (not included in Part I above) .....\$<br>11. Insurance .....\$<br>12. Interest on business indebtedness .....\$<br>13. Laundry and cleaning .....\$<br>14. Legal and professional services .....\$<br>15. Office expense .....\$<br>16. Rent on business property .....\$<br>17. Repairs .....\$<br>18. Supplies (not included in Part I above) .....\$<br>19. Taxes (Do not include windfall profit tax.) ..\$<br>20. Travel and entertainment .....\$<br>21. Utilities and Telephone .....\$<br>22. Wages .....\$ | 23. Windfall profit tax withheld .....\$<br>24. Other expenses (specify):<br>a. ....\$<br>b. ....\$<br>c. ....\$<br>d. ....\$<br>e. ....\$<br>f. ....\$<br>g. ....\$<br>h. ....\$<br>i. ....\$<br>25. Add amounts in columns for lines 1 through 24 (Part III). These are the total deductions: .....\$ |
|---|---|

**PART IV—NET PROFIT OR LOSS** (line 3, Part II, minus line 25, Part III)

.....\$

I declare under penalty of perjury that the foregoing statements are true and correct.

Beneficiary Signature: \_\_\_\_\_

Date: \_\_\_\_\_

# INSTRUCTIONS FOR COMPLETION

- 1 In order to complete Part I, you must make a list of all the stock you had on hand at the beginning of the month and how much it cost you, either to purchase it from your supplier or to make it, if you are making a product for resale. You can use an inventory control form similar to the example shown below so this information will be easily available to you each month.

Example:

	Type of Product	Cost per Item	Number of Purchases	Sold Month of May 1986	Balance	Sold Month of	Balance
	Rings	\$2.00	100	20	80		
	Bracelets	\$5.00	100	10	90		
	Necklaces	\$8.00	100	10	90		

2. If you had other types of business expenses such as the examples listed below, list them under Part III, Items 1 through 24i.

- A. Wages for employees
- B. Business insurance
- C. Advertising costs
- D. Federal, state, or county/city taxes paid
- E. Maintenance and repairs of business equipment
- F. Commissions paid to others
- G. Business organization dues
- H. Subscriptions to business publications
- I. Employee benefits (Social Security paid, state disability, pension funds)
- J. Freight to ship products purchased or sold
- K. Interest on business loans (Principal payments are not allowed.)
- L. Laundry and cleaning
- M. Legal and professional services
- N. Travel expenses
- O. Union dues
- P. Business licenses

3. The following are not allowable business expenses:

- A. Personal expenses such as income tax payments, lunches, and transportation to and from work
- B. Purchase of equipment
- C. Payment on the principal of loans for equipment

4. Attach verification of income and expenses to this statement:

- A. Income verification such as copies of sales slips, customer invoices, receipts, or ledgers
- B. Expense verifications such as receipts for items purchased, cancelled checks, bills marked paid

5. **Privacy and Confidentiality Notification:** The Welfare and Institutions Code, Sections 14011 and 14012, authorizes county welfare departments to collect certain information from you to determine if you or the persons you represent are eligible for the County Medical Services Program (CMSP). The information you provide is confidential and may only be disclosed to certain individuals or organizations and then only to administer the CMSP. The information will be used by the county welfare department to establish initial and ongoing CMSP eligibility; by the State's fiscal intermediary for claims processing; by the Department of Health Services for CMSP card production and overpayment recovery actions; for Social Security account number verification; and by medical providers of services and health maintenance organizations for eligibility certification.

Providing this information is mandatory. Failure to do so will result in your ineligibility for CMSP benefits. You have the right to look at your information and may do so at the county welfare office during regularly scheduled office hours.